

2210-K

42A740-S1

Commonwealth of Kentucky
DEPARTMENT OF REVENUE**UNDERPAYMENT OF ESTIMATED TAX
BY INDIVIDUALS****➤ Attach to Form 740 or 740-NP.****2005**

Enter name(s) as shown on page 1, Form 740 or 740-NP.

Your Social Security Number

PART I—EXCEPTIONS AND EXCLUSIONS

The penalty may be waived if, *and only if*, one of the following conditions is met. If one or more of the following applies to you, check the appropriate block(s), complete any necessary blank(s) and check the "Form 2210-K attached" block on Form 740, line 41a (Form 740-NP, line 41a). **If none of the exceptions apply, go to Part II.**

Check applicable block(s).

1. The taxpayer died during the taxable year. **271**
2. Two-thirds ($\frac{2}{3}$) or more of the gross income was from farming; this return is being filed on or before March 1, 2006; **and** the total tax due is being paid in full. Fiscal year taxpayers must file a return and pay the tax due on or before the first day of the third month following the close of the tax year. **272**
 - a. Enter total gross income
 - b. Multiply by $\frac{2}{3}$ (.67)
 - c. Enter gross income from farming.....

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Line (c) must **equal or exceed** line (b) to qualify for the exception.

3. Prepaid tax **equals or exceeds** last year's income tax liability. **276**
 - a. Enter the liability from the 2004 return, Form 740, line 22;
Form 740-NP, line 18;
 - b. Enter amount from the 2005 Form 740, line 31 (Form 740-NP, page 2, line 31)*

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Line (b) must **equal or exceed** line (a) to claim the exception.**PART II—FIGURING THE UNDERPAYMENT AND PENALTY** (Complete only if the **additional** tax due exceeds \$500)

1. a. Enter 2005 income tax liability from Form 740, line 26 (Form 740-NP, page 1, line 26)1a
- b. Enter credit for taxes paid to another state from Form 740, Section A, line 4
(Form 740-NP, Section A, line 4).....1b
- c. Total (add lines 1a and 1b).....1c
2. Percentage of liability required to be prepaid is 70%2.
3. Multiply line 1c by line 23.
4. Enter the amount from Form 740, line 31 (Form 740-NP, page 2, line 31)*.....4a.
- b. Enter credit for taxes paid to another state from Form 740, Section A, line 4
(Form 740-NP, Section A, line 4).....4b
- c. Total (add lines 4a and 4b).....4c
5. Subtract line 4c from line 3 (If line 4c exceeds line 3, no penalty applies.)5.
6. Penalty percentage is 10%6.
7. Multiply line 5 by line 6. This is the amount of the penalty for underpayment
of estimated tax (minimum penalty \$25).....7.

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x .7	
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x .1	
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Form 740—Enter this amount on Form 740, line 41a, check the "Form 2210-K attached" box.**Form 740-NP**—Enter this amount on Form 740-NP, line 41a, and check the "Form 2210-K attached" box.*To avoid underpayment penalty in the future, obtain and file Form 740-ES.*

*Do not include amounts prepaid with extension after the due date of the fourth declaration installment.